

Sewer And Water Merger Talk

City Seeking Economy in Combined Utilities

3/3/2010

By Stan Lehr

WIBC

The City of Indianapolis is getting closer to a possible merger of water and sewer utilities. The goal is to minimize rates and use potential savings to improve the city's infrastructure--to pave streets and fill potholes, for example.

Two dozen parties responded to the City's request for expression of interest. They fall into five categories--if retention of the status quo is included. But Mayor Greg Ballard rules that out.

"I want to de-politicize this," said Ballard. "For too long, it's been thrown about and I'm very serious about that."

Also under consideration--hiring a private operator to run the combined utilities, selling the utilities to a private operator, transferring the properties to a not-for-profit and contracting with a private vendor and finally, the mayor's favorite, transferring ownership and operation to the Citizens Energy Group--a public charitable trust, holding the utilities for public benefit.

Mayor Ballard's Infrastructure Advisory Commission has laid out five priorities for the decision:

- the selected approach should contribute to the long-term viability of the city
- preference for local control/public ownership over privatization
- rate mitigation should be a top priority
- any approach should include a thoughtful plan for the allocation of any proceeds from a transfer
- Indianapolis must continue to meet federal mandates and regulatory standards

The mayor says the decision is likely to come "soon." The Commission has been meeting for about a year and a half.